

Ministry of Highways and Infrastructure



Annual Report for 2015-16

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Letters of Transmittal

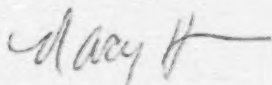


The Honourable
Nancy Heppner,
Minister of Highways
and Infrastructure

Her Honour, the Honourable Vaughn Solomon Schofield, Lieutenant Governor of Saskatchewan
May it Please Your Honour:

I respectfully submit the Annual Report of the Ministry of Highways and Infrastructure for the fiscal year ending March 31, 2016.

The Ministry of Highways and Infrastructure is investing in the infrastructure required to meet the goals of the *Saskatchewan Plan for Growth*, while honouring government's accountability and expenditure management commitments. The ministry invested more than \$2.7 billion into the provincial transportation system over the four years ending this fiscal year, exceeding the Government of Saskatchewan's commitment to invest \$2.2 billion over that period. The improvements to the transportation system from this funding commitment have kept Saskatchewan competitive by supporting increased economic development and exports. I am pleased to report the start of construction of the Regina Bypass, the largest public infrastructure project in Saskatchewan history.



Honourable Nancy Heppner
Minister of Highways and Infrastructure



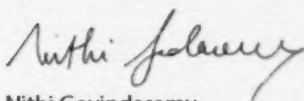
Nithi Govindasamy,
Deputy Minister of
Highways and
Infrastructure

The Honourable Nancy Heppner, Minister of Highways and Infrastructure

May it Please Your Honour:

I have the honour of submitting the Annual Report of the Ministry of Highways and Infrastructure for the fiscal year ending March 31, 2016.

I acknowledge responsibility for this report and am pleased to provide assurances on the accuracy and reliability of the information contained within. The actions contained in this annual report highlight the ministry's initiatives that support the *Saskatchewan Plan for Growth* and ensure we are building and maintaining a safe, reliable and efficient transportation system to meet the needs of our province now and in the years to come.



Nithi Govindasamy
Deputy Minister of Highways and Infrastructure

Introduction

This annual report for the Ministry of Highways and Infrastructure presents the ministry's results for the fiscal year ending March 31, 2016. It provides results of publicly committed strategies, key actions and performance measures identified in the *Ministry of Highways and Infrastructure Plan for 2015-16*. It also reflects progress toward commitments from the Government Direction for 2015-16: Keeping Saskatchewan Strong, the *Saskatchewan Plan for Growth – Vision 2020 and Beyond*, throne speeches and the ministry.

The annual report demonstrates the ministry's commitment to effective public performance reporting, transparency and accountability to the public.

Alignment with Government's Direction

The ministry's activities in 2015-16 align with government's vision and four goals:

Saskatchewan's Vision

"... to be the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life."



Sustaining growth
and opportunities for
Saskatchewan people



Meeting the challenges
of growth



Securing a better quality
of life for all
Saskatchewan people



Delivering responsive
and responsible
government

Together, all ministries and agencies support the achievement of government's four goals and work towards a secure and prosperous Saskatchewan.

Ministry Overview

Vision

Transportation – Connecting Saskatchewan to the World.

Mission Statement

To provide a safe, reliable transportation system that supports Saskatchewan's growth agenda and quality of life. We strive to deliver innovative, sustainable infrastructure to serve the needs of our customers.

Mandate Statement

The ministry manages and provides for the future development of an integrated provincial transportation system which supports economic growth and prosperity for Saskatchewan. Our infrastructure investments will be guided by strategic transportation policy and incorporate operating and maintenance practices which promote the safe and efficient movement of people and goods.

About the Ministry of Highways and Infrastructure

Saskatchewan's road network is the largest in Canada on a per capita basis. The network consists of 26,175 km of highways, including 11,117 km of asphalt concrete pavement, 4,078 km of granular pavement, 4,967 km of thin membrane surface (TMS) highways, 5,734 km of gravel highways and 279 km of ice roads. The ministry also operates and maintains 729 bridges, more than 62,000 culverts, 12 ferries, one barge and 17 northern airports. The ministry budgeted 1,320.0 full time equivalents (FTEs) and utilized 1,344.2 including students.

The ministry's core lines of business focus on providing transportation services for a growing Saskatchewan by planning, building, maintaining, operating, regulating and developing policies for the transportation system. In everything the ministry does, safety is the top priority.

Planning includes working with stakeholders and forecasting future infrastructure needs, as well as developing plans to meet these needs. Planning also involves determining general locations for new routes, including twinning and passing lanes.

Building includes upgrading or constructing new provincial highways, bridges, culverts, airports and ferries. It involves the development of engineering standards and management of the design and construction process, as well as providing engineering services for major projects and maintenance activities.

Maintaining involves management of the current transportation network, including provincial highways, bridges, culverts, northern airports and ferries. Maintenance activities are focused on ensuring a sustainable and reliable transportation system is available for the safe and efficient movement of people and goods, while meeting or exceeding national and provincial standards.

Operating involves the delivery of a wide range of services to ensure the safe and efficient movement of people and goods. This includes pavement marking, signing, lighting, winter snow and ice control, and ferry and airport operations.

Regulating involves the development and enforcement of transportation legislation and regulation with a specific focus on commercial vehicles and provincial short line railways.

Developing policies includes working with other jurisdictions, industry stakeholders and shippers to create conditions for the safe and efficient movement of people and goods, supporting economic growth and meeting the challenges growth brings.

Responsibilities for carrying out the ministry's mandate are distributed among the ministry's four divisions and the Communications Branch.

Planning and Policy Division

The Planning and Policy Division is responsible for strategic planning and policy development, including articulating a long-term vision for new provincial transportation infrastructure. Policy development focuses on creating the right conditions for economic and population growth and identifying the criteria to assess the current challenges and future opportunities to meet differing citizen and stakeholder needs. The division guides investments in the provincial multi-modal transportation system by setting investment criteria and prioritizing projects. It also develops and enforces transportation legislation with a specific focus on commercial vehicles and provincial shortline railways.

Corporate Services Division

The Corporate Services Division provides budgeting, capital programming, forecasting, financial reporting, quality management systems and geographical information systems to the ministry. This division is also responsible for procurement, information management, performance reporting, land management and traffic counting.

Operations Division

The Operations Division manages all the operational and maintenance programs. Preserving the transportation system involves preventative maintenance and management of provincial highways, bridges, airports and ferries. Operating the transportation system includes pavement marking, signing, lighting, mowing, snow and ice control, as well as ferry and airport operations. Related operational services such as traffic engineering, preservation and engineering services are also included.

Design and Innovation Division

The Design and Innovation Division manages all design and construction activities for preservation and capital projects, including enforcement of transportation legislation for provincially owned infrastructure. The Design and Innovation Division also facilitates the operation of the provincial highway network through a variety of support services, including developing and administering engineering standards and policies for road design, construction management, roadside development, access management, traffic guidance, signing standards and road safety (e.g. speed limits, access, etc.).

Communications Branch

The Communications Branch is responsible for strategic communications, education and awareness programs aimed at promoting public and highway worker safety and managing information on the Highway Hotline.

Progress in 2015-16

Government Goals

Sustaining growth and opportunities for Saskatchewan people

Meeting the challenges of growth

Securing a better quality of life for all Saskatchewan people

Delivering responsive and responsible government

Strategic priority from the *Saskatchewan Plan for Growth*: Economic corridors and gateways facilitate growth in export and trade and the movement of goods and services locally, regionally, and internationally.

Ministry Goal

Supporting Trade and Investment.

Strategy

Reduce congestion around major cities and on high traffic corridors.

Key Actions and Results

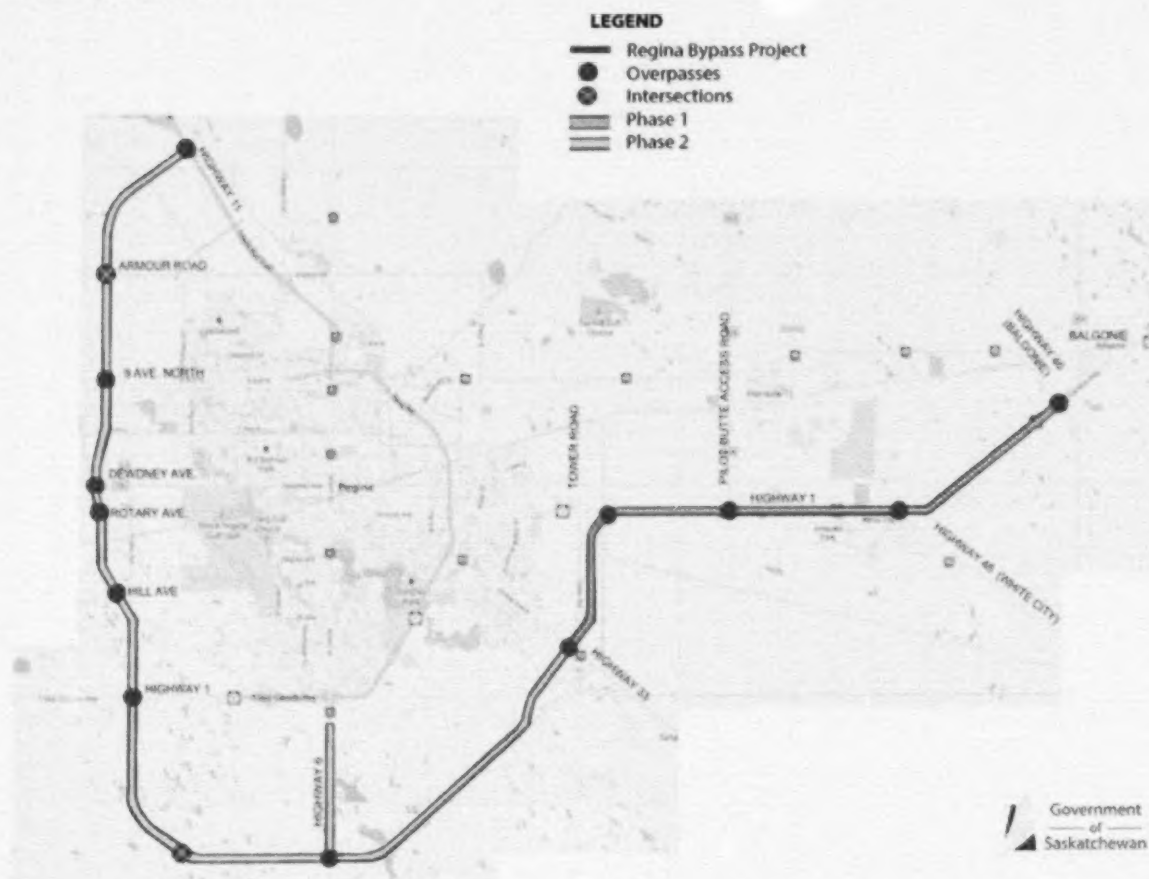
Construct twinning and passing lanes to improve traffic flow and increase safety by:

- ⇒ Continuing twinning on Highway 16 east of Saskatoon to Clavet for 19.5 km.
 - ↳ Significant grading work was completed and paving began on the project.
 - ↳ The federal government will be providing half of the eligible project costs, up to a maximum of \$22.8 million through the New Building Canada Fund.
- ⇒ Commencing twinning on Highway 7 west of Saskatoon to Delisle for 24 km, and Highway 39 east of Estevan to Bienfait for 9 km.
 - ↳ Twinning Highway 7 west of Saskatoon to Delisle for 24 km began with 9 km of grading as the first phase of this project, which is divided into three phases and six separate contracts (three grading and three surfacing). The grading and surfacing contracts for the first phase were awarded in 2015-16.
 - ↳ The federal government will fund half the eligible costs to twin Highway 7 from Saskatoon to Delisle, to a maximum of \$32 million.
 - ↳ Design work was completed for the twinning of Highway 39 from east of Estevan to Bienfait and was tendered in February 2016. Construction is planned to begin in the summer of 2016.
 - ↳ This is the first project under the Highways 6 and 39 twinning strategy linking the national highway system to Saskatchewan's busiest border crossing.
- ⇒ Completing six passing lanes on Highway 7 from Delisle to Rosetown.
 - ↳ In July 2015, six passing lanes were completed from Delisle to Rosetown on Highway 7.
 - ↳ This project will improve safety for vehicles travelling between Saskatchewan and Alberta. This highway is heavily used for the transportation of potash and over-dimensional loads.
- ⇒ Commencing pre-construction work for passing lanes on Highway 5 east of Saskatoon.
 - ↳ In the 2015-16 budget, it was announced that the ministry would be building passing lanes between Saskatoon and Humboldt. Planning work began in the summer of 2015 to determine the appropriate number and the positioning of the passing lanes.
 - ↳ Passing lanes were chosen as the proper improvement to this corridor to accommodate future growth and development based on safety, traffic operations and network consistency.

Construct bypasses to improve traffic flow:

- ⇒ Complete procurement and construction of the Regina Bypass project through a public-private partnership (P3) contract.
- ⇒ Procurement for the Bypass was completed with commercial close of the contract on July 29, 2015. The project was awarded to Regina Bypass Partners to design, build, finance, operate and maintain the Regina Bypass.
- ⇒ The twinned highway will run from Highway 11 northwest of Regina and go south of the city and then eastward to connect to Highway 1 east of the city. As part of the Bypass Project, overpasses will be constructed at the Pilot Butte access, Highway 48 at White City and Highway 46 at Balgonie to improve safety on Highway 1 east of Regina.
- ⇒ By March 2016, earthwork had begun in all areas of the project.
- ⇒ The first phase of the project from Balgonie to Highway 33 will be completed in fall 2017, followed by the opening of the Pilot Butte overpass in fall 2018. The Highway 33 overpass was originally scheduled to be completed as part of Phase 1; however, only the north ramps will be completed by October 2017.
- ⇒ Phase 2 from Highway 33 to Highway 11 including overpasses at Highways 33, 6, 1 and 11, Hill, Rotary, and Dewdney Avenues and 9th Avenue North will be completed by 2019.
- ⇒ By 2016, approximately two-thirds of the businesses involved in the project are Saskatchewan-based companies, or have significant Saskatchewan operations.
- ⇒ The Regina Bypass will provide many benefits to the Regina area, as well as southern Saskatchewan and the entire province. In addition to addressing urgent safety concerns and reducing congestion on local roadways, it is projected to create about 8,200 jobs in the province.
- ⇒ The value for money report prepared by Ernst & Young confirmed the P3 model will save taxpayers \$380 million or a little more than 16 per cent, compared to a traditional model. The project has a total investment of \$1.88 billion (in 2015 dollars).
- ⇒ The federal government is investing \$200 million in the Regina Bypass.

Regina Bypass Map



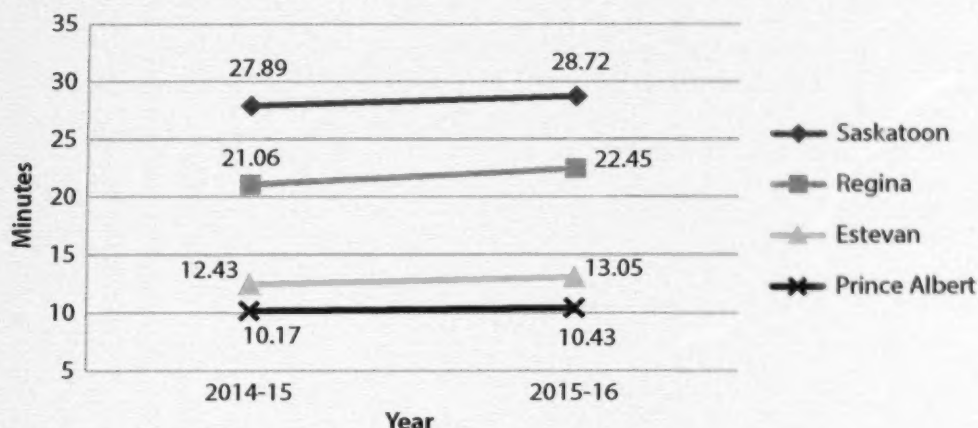
- ⇒ In total, the project consists of:
 - ↳ 12 Interchanges;
 - ↳ 32 total bridges:
 - ↳ 21 bridges on interchanges;
 - ↳ 7 bridges on railway overpasses; and
 - ↳ 4 bridges over water crossings;
 - ↳ Approximately 15 million m³ of earth;
 - ↳ Approximately 10 million tonnes of aggregate;
 - ↳ 40 kilometres of new four-lane highway;
 - ↳ 20 kilometres of resurfaced four-lane highway;
 - ↳ 55 kilometres of new service roads; and,
 - ↳ Twinning of about five kilometres of Highway 6.
- ⇒ Commence paving on the Highway 39 Estevan Bypass.
 - ↳ The Highway 39 Estevan Bypass was completed and a grand opening was held on November 10, 2015.
 - ↳ The 13 km bypass route runs from east of Estevan, then north and connects back to Highway 39 west of the city.
 - ↳ This project will improve safety and the flow of traffic around the City of Estevan, while reducing traffic within the city, an area that has seen traffic volume growth from cross-border traffic and the oil and gas industry.
- ⇒ Commence the interchanges on Highway 11 at Warman and Highway 12 at Martensville.
 - ↳ The ministry progressed its planning work through public consultations and functional planning for the interchanges in 2015-16. The design-build delivery method was chosen for this project due to its large scale and the ability for bidding companies to bring their innovation and efficiencies into their plan.
 - ↳ In 2015-16, the ministry moved through the Request for Qualifications stage and into the Request for Proposals which went out in January 2016, with a closing date in June 2016. This near six month time frame allows qualified bidders adequate opportunity to prepare their proposals for this major design-build project.
 - ↳ When complete, these two interchanges will improve safety and alleviate congestion around these growing cities.
- ⇒ Continue the multi-year improvements on Highway 15, as the designated high-clearance corridor between Kenaston and Simpson.
 - ↳ Multi-year improvements on Highway 15 continued with grading west of Highway 2 near completion. The condition of this highway will be maintained to ensure its use as a high-clearance corridor.
 - ↳ This initiative will reduce the time and cost of moving over-height loads in an effort to help Saskatchewan manufacturers be more competitive.
- ⇒ Invest in urban highway projects and key planning studies to improve efficiency on provincial highways through major urban centres.
 - ↳ The ministry invested \$7.45 million in capital projects and operating and maintenance grants, including:
 - ↳ \$3 million to Regina for Victoria Avenue East bridge replacements on Highway 1 for a total contribution of \$6.5 million;
 - ↳ \$697,125 to Saskatoon for a total government investment of \$904,500 for the Highway 16/11 cloverleaf bridge structure;
 - ↳ \$487,500 to Yorkton for a total ministry investment of \$1.95 million to complete the Highway 10 rehabilitation project; and,
 - ↳ Other minor projects and operating and maintenance grants.
 - ↳ The Urban Highway Connector Program recognizes that our urban communities play an important role in the provincial economy as generators of economic activity. These urban communities serve as key collection and interchange points where export-bound products are linked to national and international transportation corridors.
- ⇒ Continue planning and design for the twinning for the Highway 6 and Highway 39 corridor.
 - ↳ The economic activities in southeast Saskatchewan are an important part of the provincial economy. They are driven mainly by oil production in the Estevan region and the presence of the North Portal Border Crossing. While these activities benefit the regional economy, the results are an increase in traffic volumes on the Highway 6 and Highway 39 corridor.
 - ↳ This corridor has been identified as a priority, so the ministry continued to review options for the corridor when considering traffic growth and needs on different sections of the highway.

- ⇒ Continue to work on the Saskatoon Freeway planning study.
 - ↳ A general location study for the freeway progressed in 2015-16. This study is the first phase of the southeast portion of a freeway around Saskatoon.
 - ↳ Upon completion of this study, the ministry will have identified the center-line location of the Saskatoon Freeway and will be able to investigate options for future delivery. A more expedient route around the city would benefit the transportation industry, commuters, travellers and residents of the city, as traffic would decrease on highly travelled urban connectors.

Performance Measures

Reduce travel time around major urban congested areas.

Travel time around urban centres



Source: Ministry of Highways and Infrastructure, Information Management Branch

Investments around urban centres are important for the safe and free flow of traffic from commercial carriers and commuters alike. This data is intended to establish a baseline for future targets and measure the ministry's efforts over the long-term in addressing the growth of urban census metropolitan areas. This measure shows the average travel time on designated routes from one side to the other of each city. To gather this data, the ministry uses GIS locations and the time it takes to get from one location to the other, while moving with the speed of traffic.

Strategy

Develop a regulatory climate that provides for greater free flow of goods in the supply chain.

Key Actions and Results

Continue work to meet the commitments of the New West Partnership (NWP) Premiers' Summit by leading an inter-provincial working group within the Pacific Gateway Alliance (PGA) to develop and deliver on actions for an integrated and collaborative logistics system.

- ⇒ The goal of the working group is to research and review the efficiency of transportation, specifically grain transportation, and provide options to improve the long-term efficiency, reliability and competitiveness of Western Canada's transportation system.
- ⇒ The ministry participates on the PGA Working Group on performance and market access, including:
 - ↳ Co-chair of the Policy and Planning support committee on transportation statistics;
 - ↳ Finalizing definitions on peak demand and surge capacity; and
 - ↳ Drafting a work plan for the stakeholders of the PGA Working Group.

Work with national and regional task forces, as well as provincial jurisdictions, to eliminate barriers to trade and interprovincial truck movement, and minimize differences in standards or regulations.

- ⇒ The ministry worked within the NWP and Manitoba-Saskatchewan Memorandum of Understanding (MOU) to update permit policies in Western Canada, including updating the 2002 MOU on moving bales. Several other regulatory initiatives were completed, including the development of permit policy for service rigs, manufactured homes, building moves and mobile cranes.
- ⇒ *The Vehicle Weight and Dimension Regulations, 2010* were amended to incorporate changes to the national MOU. The updated regulations were approved by cabinet and are now law.

Collaborate with SaskPower and the Ministry of Economy to develop a strategic plan for a network of High-Clearance Corridors (HCC).

- ⇒ The ministry works as a facilitator of permit policy for HCC. HCCs provide time and financial savings to industry and SaskPower. The defined corridors are routes where overhead lines are removed so that SaskPower does not have to send crews to move and reinstall lines as oversized vehicles pass.
- ⇒ Throughout the year, work progressed on developing a potential network of corridors that would make Saskatchewan more attractive to industry by reducing barriers when large items need to be moved.

Conduct a review to clarify jurisdictional responsibility for urban bypasses and urban highway connectors.

- ⇒ The government has embarked on major projects like the Regina and Estevan bypasses in recent years as a result of population growth and increases in commuter traffic around major urban centres. The addition of these new roads required changes to the official highway designations in the affected urban centres. In 2015, the amendment to the highway designation regulations (to include the Regina Bypass as a provincial highway) was approved.
- ⇒ Changing these regulations has impacts on the Urban Highway Connector Program and the agreements signed with affected communities. An assessment was completed in 2015 in Regina, Saskatoon, Estevan and Warman, as a result of these major projects.

Performance Measures

Increase alignment of regulations and policies in the New West Partnership and at the national level.

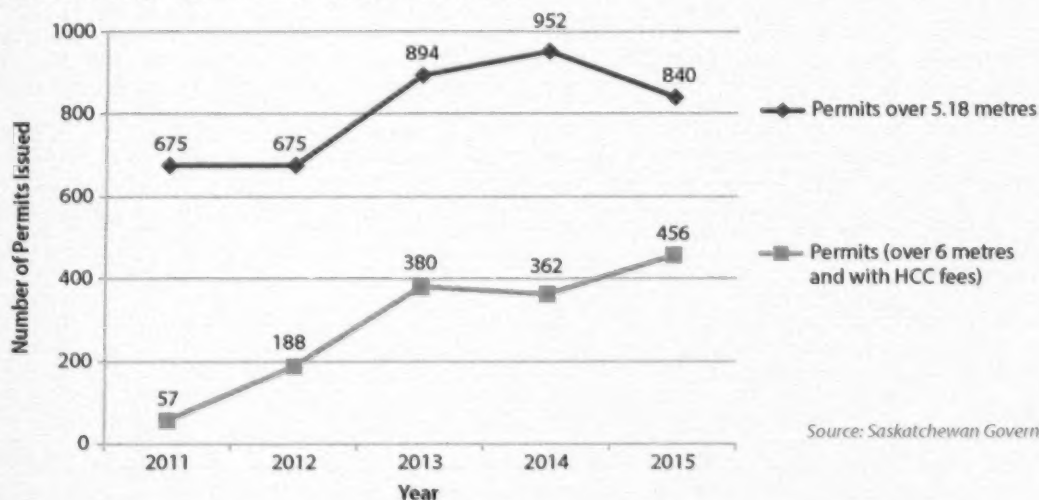
In 2015-16, the ministry increased the alignment of Saskatchewan's regulations and policies with other provinces by updating policies regarding 12 different types of transportation movements on the highway network.

Source: Ministry of Highways and Infrastructure, Strategic Planning and Policy Branch

The alignment of regulations and policies concerning the weights and dimensions of transportation vehicles is important to the ministry and the province, as it creates efficiencies for the transportation industry. The Strategic Planning and Policy Branch worked with Manitoba to provide permit policy and regulation clarification as that province works to upgrade its permit system.

Increased utilization by industry of the High Clearance Corridor.

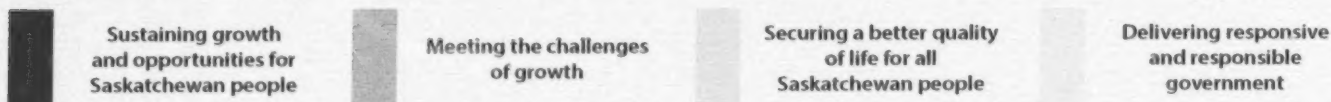
Number of High Clearance Corridor Permits Issued



Source: Saskatchewan Government Insurance (SGI)

The HCC provides industry with the ability to move oversized loads on a predetermined corridor that has obstructions already removed. This reduces logistical barriers for industry. The measure is impacted by economic activity in the province and the need for commercial entities to transport over height items. In 2015-16, there was an increase of 94 permits for the movement of items over six metres, and a decrease of 112 permits for the movement of items over 5.18 metres. The HCC is a user-pay system, where oversized haul is charged a permit fee that is collected by SGI. That fee is reinvested with the goal of having a self-sustaining HCC program that covers SaskPower's cost of moving or maintaining power lines. Only loads over six metres pay permit fees, with some farm equipment exempt. This measure shows how the ministry and its Crown partners are working together to support trade and investment in the province. The results are gathered by SGI as part of its annual reporting process.

Government Goals



Strategic priority from the *Saskatchewan Plan for Growth*: Integrated planning of initiatives at the provincial, regional, and municipal level that result in future population and private sector growth.

Ministry Goal

Efficiently managing the transportation system.

Strategy

Integrated planning is achieved through developing and implementing processes to engage the public and stakeholders.

Key Actions and Results

Work with Saskatchewan Government Insurance (SGI) to:

- ⇒ Ensure the ministry's Geographic Information Systems (GIS) capabilities are compatible with SGI permitting activities to integrate mapping with Saskatchewan's online permitting system by 2015.
- ⇒ Having online permitting will save permit data entry and approval time. This reduction will allow for increased permit volume and improved customer service.
- ⇒ The online system will assist carriers in planning their permitted routes; increasing accuracy and consistency of distance calculations which results in more accurate permit costs.
- ⇒ The ministry worked closely with SGI to integrate the ministry's GIS data with the Saskatchewan oversized/overweight vehicle automated routing and permitting system. The ministry provided the GIS database and expertise to create a base map for routing and permitting applications.
- ⇒ The project is led by SGI and it is anticipated to go live in 2016. When operational, the system will streamline the permitting process and provide the transportation industry with a more efficient and up-to-date method of obtaining permits.

Collaborate in the development of a single-window permitting system across the western provinces by 2020.

- ⇒ The ministry contributed by supplying the map and its data – bridges, structures, dimensional routes and road restrictions, as well as assisting in setting up the routing models.
- ⇒ A single-window permitting system will contribute to the government's goal of reducing red tape and creating efficiencies for industry through easier mobility of goods across western Canada.
- ⇒ The goal of single-window permitting is to assist the growing trucking industry to provide efficient service, while creating the conditions for government to maintain its assets in good condition.

Work with provincial ministries, agencies, municipalities and the federal government to maximize federal investment from the New Building Canada Plan in Saskatchewan's provincial and municipal transportation infrastructure.

- ⇒ The province applied for and received approval from the federal Minister of Infrastructure to begin construction in 2015 on two projects: Highway 7 twinning from west of Saskatoon to Delisle and Highway 39 Estevan east of the urban limit to east of the junction with Highway 18.

- ⇒ A funding application for the Warman and Martensville interchanges projects was submitted to the federal government.
- ⇒ As of March 31, 2016, the Government of Canada had approved funding totaling \$71.1 million out of the total \$196.5 million allocated for Saskatchewan's provincial transportation projects.

Complete the Saskatoon Regional Transportation Demand Model to forecast future traffic.

- ⇒ The Saskatoon Regional Transportation Demand Model is complete.
- ⇒ This gives the ministry and the City of Saskatoon the capability to perform enhanced travel forecasts for the region, as well as the ability to perform benefit-cost analysis for a future Saskatoon Freeway and other transportation infrastructure in the area.

Define a Core Highway Network as the backbone of Saskatchewan's road transportation system.

- ⇒ The Core Highway Network (CHN) definition is complete and ready for final consultations in 2016.
- ⇒ As the backbone of Saskatchewan's road transportation system, the CHN identifies the key highway corridors that support major economic activities, carry the majority of vehicle and truck traffic, and connect the majority of the province's population. These roads constitute 37 per cent of the total provincial network. These key corridors will generally be considered a priority for ensuring the sustainability of the system, while meeting the current and future transportation needs of the province.

Develop an integrated rural highway policy framework.

- ⇒ The integrated rural highway policy focuses on addressing the challenges of sustaining Saskatchewan's rural road network. The policy will engage stakeholders in a discussion on a means to better integrate delivery of service on the provincial and municipal road systems. Greater partnership and co-ordination of roads under the ministry and rural municipalities' jurisdiction will significantly help improve the efficiency of the overall transportation system, coordinating the management of the rural system, and optimizing the allocation of financial resources.
- ⇒ The rural highway policy framework includes information on the location of several key industries in rural Saskatchewan, including grain elevators, trans-loading facilities, industrial rail, forest facilities, population centres, and health and education facilities.

Work with the Saskatchewan Association of Rural Municipalities (SARM) in developing a resource road program that leverages the New Building Canada Fund to build transportation infrastructure that supports moving goods to market.

- ⇒ The ministry, in partnership with SARM, consulted with private industry to create a business case for a multi-partner program. SARM's resource road program proposes each contributing partner provide funding for major rural road projects with a portion of the project funding coming from the federal program. The province is reviewing the business case in 2016.

Collaborate with consultant engineers and road building contractors to improve procurement and project delivery practices, as well as the timing of public tenders.

- ⇒ A Tri-Party Steering Group was established to provide strategic input on the development and execution of initiatives aimed at improving ministry project policies, processes and practices that support industry. The group has representation from the Association of Consulting Engineers (ACEC), Saskatchewan Heavy Construction Association (SHCA) and the ministry (chaired by the Deputy Minister).
- ⇒ The Tri-party Steering Group created a "Principles of Accountability" document that was endorsed and accepted by all parties.
- ⇒ Through the steering group, the SHCA and ACEC were updated on anticipated ministry work load, procurement work underway with Priority Saskatchewan, priorities identified by the Tri-Party Steering Group, safety initiatives, and "best value" legislation. Separate meetings were also held with ACEC and SHCA to work through operational level issues.

Introduce performance standards and evaluation measures to improve the timeliness of delivery and quality of construction projects.

- ⇒ Following the recommendations of a timely completion study, the Tri-Party Steering Group (representatives from MHI, ACEC, and SHCA) developed nine strategic initiatives aimed at improving the timeliness of project delivery and the quality of construction projects. Some of the initiatives include increasing contract enforcement, improving tender timing, centralizing contract administration and project management, clearly defining the roles and responsibilities of each party on a project, and other initiatives intended to improve relationships and project efficiencies.

- ⇒ A project management group was established within the ministry, which developed an operational plan to improve the consistency of tendering practices and construction administration. Some goals within the plan include high-quality and consistent tendering, response and consistent contract administration, consistent and professional consultant procurement, improved project planning and execution, and ensuring constructible designs.

Develop and implement a vendor-performance management system.

- ⇒ In collaboration with Priority Saskatchewan, the ministry is working to develop the framework for a government-wide vendor performance system.
- ⇒ Legislation was changed to allow vendors to be selected based on fuller criteria instead of only awarding to the lowest bidder. The ministry is developing a vendor performance system for consulting contracts. The ministry is also developing a best-value method for construction contracts. The best-value approach allows government to use performance evaluations and price to determine successful bidders.

Work with provincial ministries to provide an enterprise solution for spatial data and provide public access to this information.

- ⇒ The ministry plays a key role on the government's Enterprise Geographic Information System (EGIS) project. It is being led by the Office of Geomatics Coordination, Ministry of Environment. The ministry's own image server is being used by EGIS to provide all Government of Saskatchewan users one location to get provincial images (air photos and satellite). Prior to this, multiple copies of the same imagery files were stored in various ministries. The one location has reduced storage on the government's network.
- ⇒ When the project is complete, it will provide users an enterprise geospatial data location to improve data standards, quality, and access and provide the necessary framework to develop streamlined GIS services and advance customer GIS services.

Implement the ministry's Occupational Health and Safety (OH&S) strategic plan to achieve Mission Zero targets.

- ⇒ The ministry takes worker safety very seriously and has invested significant time into continuing to enforce safety standards and messaging for employees, contractors and the public travelling through work zones. The strategic plan for OH&S established realistic targets for decreasing incidents that result in lost time and injuries through targeted intervention plans.
- ⇒ Some of the activities within the strategic plan include engaging the Workers' Compensation Board (WCB) to conduct a Safety Management System assessment, revising the personal protective equipment policy, engaging health and safety "repeat offenders" in intervention meetings, and developing incident reduction plans to address property and equipment incidents.
- ⇒ The WCB Safety Management System assessment audit action plan was developed and implemented. It includes major initiatives such as safety policy, safety rules, hazard assessment, training and emergency preparedness. Actions taken within this plan will contribute to long-range results and controls.

Performance Measures

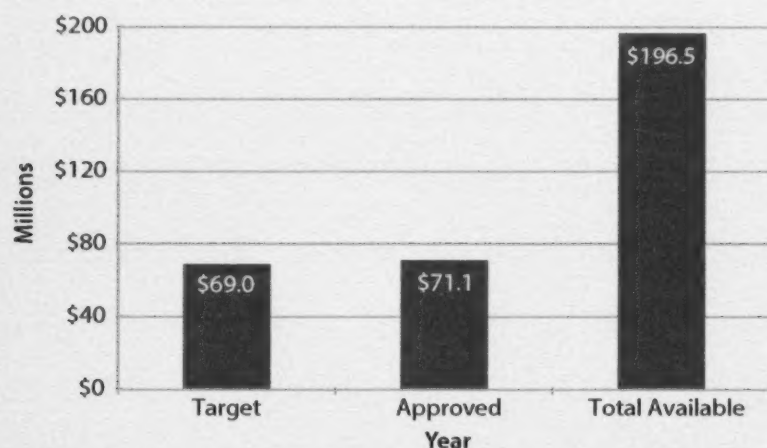
The number of open houses and public meetings.

In 2015-16 the ministry held 18 public meetings. The ministry also uses the website, Facebook and the Hotline to communicate to the public. Many public meetings were held for major projects such as the Regina Bypass, Highway 7 twinning near Vanscoy, the Warman/Martensville interchanges and the Saskatoon Freeway and West Connector.

Source: Ministry of Highways and Infrastructure, Communications Branch

As a measure of engagement with the public focusing on government's goal of providing citizen-centred service, the ministry measured how many open houses and public meetings it held in 2015-16. Open houses provide the public with the opportunity to see plans and provide feedback on options presented at the open house. They are most useful when a project is in the planning stage where a final design or location has not been decided.

Value of projects approved by Canada towards the \$196.5 million in federal funding allocated to the Ministry of Highways and Infrastructure projects – 2015-16 target is \$69 million.



Source: Ministry of Highways and Infrastructure, Strategic Planning and Policy Branch

In 2015-16, \$71.1 million of the ministry's \$196.5 million allocation has been committed to provincial transportation projects. These amounts represent the federal contribution towards these projects. The government has until March 31, 2018 to identify other projects to access the remaining \$125.4 million. In Saskatchewan, many improvements are required to the provincial highway system in order to improve the road network for the citizens of the province. This measure ensures the accountability of the government in utilizing all of the federally designated funding to provide the best value. The approved \$71.1 million is made up of four projects:

- ⇒ Highway 16 twinning east of Saskatoon – \$22.8M;
- ⇒ Highway 7 passing lanes from Delisle to Rosetown – \$3.8M;
- ⇒ Highway 7 twinning west of Saskatoon – \$32M; and
- ⇒ Highway 39 twinning east of Estevan to Bienfait project – \$12.5M.

Strategy

Aligning priorities to achieve a sustainable multi-modal transportation system.

Key Actions and Results

Provide appropriate pavement treatments to increase the longevity of the assets to meet life cycle requirements.

- ⇒ In 2015-16 the ministry delivered 408 km of light pavement preservation treatments across the province.
- ⇒ These treatments seal the surface of the pavement to prevent water penetration, which in turn prevents cracking and potholes.

Extend the service life and ensure the adequacy of drainage structures by:

- ⇒ Replacing or repairing aging culverts and wood box drainage structures.
 - ✎ A total of \$14.6 million was invested in 99 culvert replacements in 2015-16. Culverts are an important part of the transportation network, as they allow water to flow from one side of the highway to the other without eroding the road surface or base. Replacing underperforming or at risk culverts prevents potential road closures and keeps corridors open.
- ⇒ Replacing 35 bridges on Saskatchewan highways, including 16 bridges that will be replaced with culverts.
 - ✎ In 2015-16, the ministry replaced 20 bridges and an additional four culverts replacing bridges.
- ⇒ Making major repairs on six bridges.
 - ✎ Two bridge rehabilitations were completed in 2015-16.

Continuing with the ministry's bridge inspection and replacement strategy by ensuring all bridges have been inspected every second year.

- ⇒ As of March 31, 2016, inspections have been completed on 376 out of a planned 382 bridges (98 per cent completed). The six uninspected bridges were due to the sites being inaccessible. These bridges will be added to the 2016-17 inspection program.

Provide investments to support provincial air travel.

- ⇒ Rehabilitate the runways at the Stony Rapids Airport and the Buffalo Narrows Airport.
 - ✦ The rehabilitation of the Stony Rapids Airport runway and lighting was completed, along with improvements to the community access road. These improvements will alleviate safety concerns for passenger and commercial vehicles heading in and out of the community.
 - ✦ The Government of Canada contributed \$7.4 million through the Airport Capital Assistance Program.
 - ✦ The Buffalo Narrows Airport project was completed for \$3.5 million in August 2015 and included the rehabilitation of the existing runways, taxiways and aprons.
 - ✦ Northern provincial airports provide important services to their regions. Some of the important services facilitated by the 17 provincial airports include:
 - ✦ Forest fire staging areas for aircraft (e.g. Hudson Bay, Meadow Lake and Buffalo Narrows);
 - ✦ Government services such as court and justice travel, and health and medevac for emergency health care;
 - ✦ Employment opportunities at various mines; and
 - ✦ Support for exploration activities, economic development and the tourism industry.

Support community airports through the Community Airport Partnership Program, which results in a \$1.4 million investment for improvements to small airports.

- ⇒ For the seventh consecutive year, the provincial government provided funding through the 50 per cent cost-shared program, which is designed to help offset costs for airports that do not receive scheduled passenger service. In 2015-16 the province budgeted \$700,000 for the program. The goal is to create \$1.4 million in investment through the matching funds from applicants.
- ⇒ Fifteen community airports in Saskatchewan were chosen for repairs and upgrades through the Community Airport Partnership (CAP) program.
- ⇒ The CAP program expenditures for 2015-16 were \$628,529. This is below the budgeted amount due to various project savings and one approved project that an airport did not complete.
- ⇒ An example of how this program assists with community economic and social development is in the Town of Shellbrook. Over the past three years, Shellbrook received more than \$211,000 in ministry funding to successfully convert its turf runway to a treated gravel runway complete with upgraded lighting. This extends the operating season for the airport and will enhance economic activity in the area.

Work with the Saskatchewan private sector to make improvements to aviation services.

- ⇒ Upon the recommendation of the Saskatchewan Aviation Advisory Committee, the ministry advanced a project to enhance the service levels at Sandy Bay Airport. The installation of three web-based cameras and related equipment now provides views of the airport environment to improve northern airport safety and service.
- ⇒ The ministries of Justice, Health, Environment and Highways and Infrastructure agreed to jointly fund an interim measure to provide emergency medical services to the Southend community. The ministry improved the level of service at Southend through a partnership with the local community and TransWest Airlines to clear shrubs and trees from the runway and maintain winter service. The private airstrip is now undergoing further review to determine what is required for the airstrip.

Work with provincial short lines to apply the new federal railway rules and rail safety regulations on provincially-regulated railways.

- ⇒ The Provincial Safety Management Plan (SMP) guideline was updated to better harmonize with the new federal railway Safety Management System (SMS) regulations. As of March 31, 2016, all provincially-regulated short lines were required to submit a SMP that complies with the new provincial guideline. Many provincial railways are required to comply with both federal and provincial SMS/SMP requirements. Aligning provincial requirements to federal requirements will ensure provincial railways develop more robust and comprehensive safety programs.

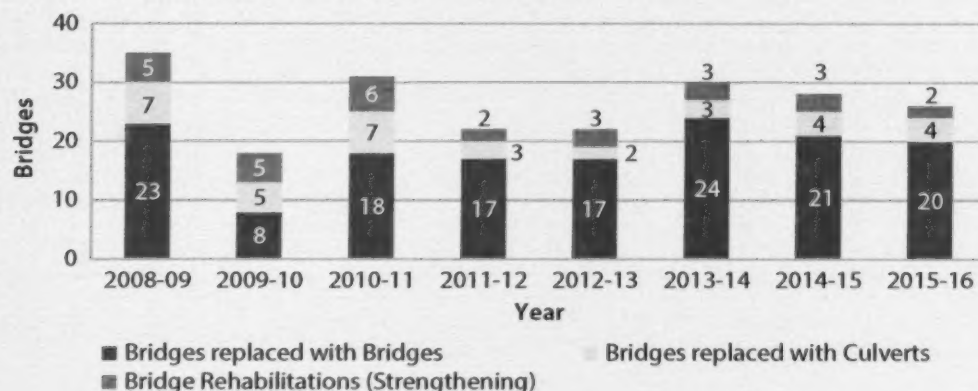
Support transportation system integration to improve mobility on the provincial and municipal road systems by:

- ⇒ Investing \$16 million through Municipal Roads for the Economy Program (MREP) – a partnership agreement with the SARM – for municipal road and bridge enhancement and preservation.
 - ✦ In consultation with SARM, the ministry invested \$14.15 million in MREP. For the 2015-16 construction season, 80 road projects were completed and 27 bridge and culvert construction projects were completed.

- ↳ The Clearing the Path (CTP) network is designed to complement the existing system of primary roads, as well as provide primary weight access to communities. More than 6,644 kilometres of primary weight roads have been designated under Clearing the Path since 2007. MREP provides annual incremental maintenance funding for CTP designated roads.
- ↳ Working with rural municipalities to provide alternate truck routes on municipal roads through Strategic Partnership Program agreements, helping to preserve thin membrane surface (TMS) highways.
- ↳ The Strategic Partnership Program delivers alternate truck routes in order to maintain TMS highways to a reasonable level of service for light traffic. Through an agreement with a rural municipality, an alternate truck route is a designated rural road that will carry trucks in order to keep them off TMS highways.
- ↳ This program encourages local involvement in managing the transportation system. Sections of highway covered under the agreement provide better service for light traffic, emergency vehicles, school buses and other local traffic.

Performance Measures

Number of bridges upgraded – target 41 bridges for 2015-16.



Source: Ministry of Highways and Infrastructure, Corporate Support Branch

In 2015-16, the ministry upgraded 26 bridges and completed the year with 729 bridges in the transportation network. The completion of bridges upgraded in 2015-16 is comparable to the 2014-15 accomplishment and the 2015-16 target of 41 bridges to be upgraded was an overly optimistic target. The ministry uses a Bridge Condition Index (BCI) to measure the overall state of its bridges. The BCI inputs are collected through bridge inspections. The detailed assessments used for BCI provide information regarding the remaining utility of these assets versus design life estimates. The higher the BCI for a bridge, the better its condition. When a bridge's condition is poor, it is repaired, rehabilitated or upgraded. Where possible, the ministry may replace minor bridges with culverts. The ministry focuses on rehabilitating, repairing or replacing bridges to ensure the highway network is reliable and safe for all users of the provincial transportation system. If a bridge failure occurs this is an impediment to trade and investment and the citizen's quality of life.

Number of bridges inspected – target 100 per cent every two years.

As of March 31, 2016 inspections have been completed on 376 out of a planned 382 bridge inspections (98 per cent completed).

Source: Ministry of Highways and Infrastructure, Technical Standards Branch

Bridges are an important part of the transportation network. As the highway network ages, it's important to ensure that bridges are in good condition. Ministry policy is to have 100 per cent of inspections planned for the given fiscal year and their associated reports completed by March 31 of the fiscal year. If access issues prevent a full inspection, inspectors may defer the inspection to the following fiscal year.

Minor inspections are completed by in-house ministry staff. Minor inspections were completed on 298 out of the planned 304. The six uninspected bridges were due to the sites being inaccessible. Inaccessibility is primarily due to high water levels, making it impossible to access the underside of the bridge. These bridges will be added to the 2016-17 inspection program as per ministry policy.

Major inspections are completed by qualified engineering consultants. All 78 major inspections and their associated reports were completed.

Currently there are 729 bridges in inventory. There are currently 387 bridge inspections planned for the 2016-17 inspection cycle.

Number of municipal partnerships for alternate truck routes.

In 2015-16, the ministry had 28 partnerships for alternate truck routes for a total of 668 km. In 2014-15 the ministry had 30 partnerships and 686 km for alternate truck routes. These alternate truck routes are developed through an agreement between the Rural Municipality and the ministry to designate an appropriate alternate truck route. Occasionally the alternate truck routes are not necessary anymore as the TMS road has been upgraded or the Rural Municipality no longer wishes to be part of the agreement.

Source: Ministry of Highways and Infrastructure, Operations Division

Alternate truck routes allow the ministry to sustain vulnerable TMS roads by shifting heavy traffic to a municipal road through agreement with the Rural Municipality. This means that the level of service for the average motorist, school buses and emergency vehicles will be easier to maintain without heavy trucks causing ruts and cracking the dust-free surface layer. Through the program, heavy trucks are routed onto nearby rural roads in partnership with the municipality.

Government Goals



Strategic priority from the *Saskatchewan Plan for Growth*: Transportation infrastructure is the foundation for economic growth and improved quality of life.

Ministry Goal

Enhancing quality of life.

Strategy

Improving road conditions through defined levels of service.

Key Actions and Results

Repave 300 km on Saskatchewan highways.

- ⇒ Saskatchewan has made a substantial investment in its transportation system. This includes investments in repaving as part of ensuring highways are maintained and rehabilitated in a timely and effective manner, which will ensure the existing highway infrastructure remains safe for years to come.
- ⇒ In 2015-16, 310 km of capital rehabilitation of paved highways was completed. Some of the completed repaving projects include:
 - ⇒ 21.1 km on Highway 1 west of Highway 6;
 - ⇒ 15.5 km on Highway 7 near Zealandia;
 - ⇒ 24.0 km on Highway 11 south of MacDowall;
 - ⇒ 17.9 km on Highway 11 south of Hague;
 - ⇒ 17.2 km on Highway 14 south of Wilkie;
 - ⇒ 17.9 km on Highway 16 west of the Battlefords; and
 - ⇒ 18.5 km on Highway 18 from the Manitoba border to Carievale.

Complete construction of 150 km of rural provincial highways.

⇒ The ministry completed 150 km of TMS road upgrades in 2015-16 including:

- ↳ Highway 43 near Gravelbourg for 37.9 km;
- ↳ Highway 51 between Kerrobert and Major for 34.3 km; and
- ↳ Highway 55 near Peerless for 16.3 km.

Complete the construction of a super grid road on Highway 47 north of Stoughton and monitor the effectiveness of the super grid pilots.

⇒ The super grid road was completed as of June 30, 2015. With the support of the local area, the ministry chose to pilot the super grid road as an alternative to a much more expensive pavement upgrade. The super grid provides primary weight access at a much lower cost. The ministry will continue to monitor the super grid pilots as they are a viable alternative for future projects.

Support winter maintenance services through the Winter Night Surveillance Program which provides overnight winter road surveillance and minor winter maintenance on high volume highways around major urban centres.

⇒ Total provincial distance travelled by the Winter Night Surveillance Program from November 1, 2015 to April 2, 2016 was 186,245 km. This program ensures the winter maintenance on high volume highways around major urban centres is meeting the ministry's winter maintenance level of service standard.

Invest \$56.3 million in Northern Saskatchewan to improve and maintain infrastructure.

⇒ In 2015-16, the ministry invested \$61.1 million in operations, maintenance and construction of northern roads and airports including:

- ↳ Resurfacing the Stony Rapids Airport runway and access roads;
- ↳ Resurfacing the Buffalo Narrows Airport;
- ↳ Resurfacing Highway 55 from the junction of Highway 924 to the junction of Highway 155 (Green Lake); and
- ↳ Multiple bridge and culvert replacement and repairs.

⇒ This is \$4.8 million more than planned due to increased costs associated with the Stony Rapids Airport rehabilitation.

⇒ Northern investment by year (in \$millions):

2011-12	2012-13	2013-14	2014-15	2015-16
\$45.8	\$39.8	\$45.7	\$45.4	\$61.1

Performance Measures

Public satisfaction with the condition of provincial highways.

In 2015-16, the ministry did not conduct a poll to measure public satisfaction. The ministry is in the process of defining improved methods of capturing stakeholder satisfaction with services and engagement.

Government Goals

Sustaining growth and opportunities for Saskatchewan people

Meeting the challenges of growth

Securing a better quality of life for all Saskatchewan people

Delivering responsive and responsible government

Strategic priority from the *Saskatchewan Plan for Growth*: Continue to build safer communities.

Ministry Goal

Increasing Transportation Safety.

Strategy

Reduce collisions on the transportation system at intersections and on high traffic corridors.

Key Actions and Results

Invest \$7 million through the Safety Improvement Program (SIP) for safety warranted projects.

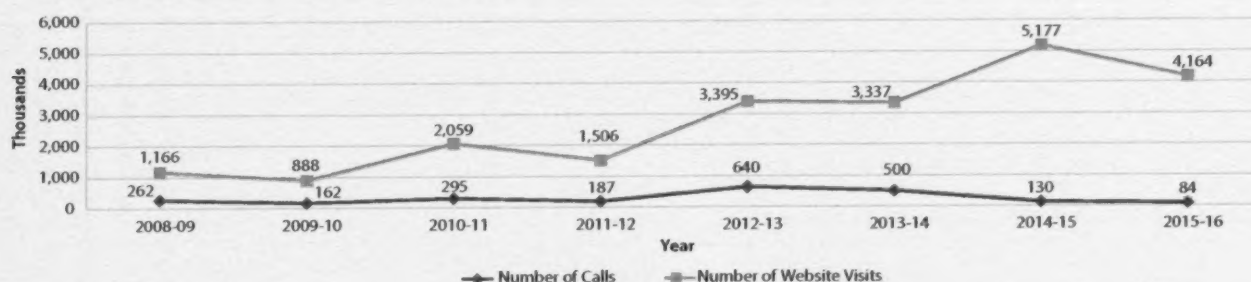
- ⇒ The SIP is for localized improvements such as guard rail installations, crosswalks, delineation lights and turning lanes.
- ⇒ The ministry completed 19 projects for a total of \$5.4 million in 2015-16. Examples of completed projects include:
 - ↳ Lutheran Road acceleration lanes north and southbound on Highway 11 near Saskatoon;
 - ↳ Right turn acceleration ramp near Saskatoon from Cory Industrial Park to Highway 11; and
 - ↳ Intersection improvements and resurfacing on Highway 15 through Outlook.
- ⇒ Projects completed by year:

Year	2011-12	2012-13	2013-14	2014-15	2015-16
Projects completed	28	22	35	28	19
Investment (\$M)	\$2.7	\$5.0	\$8.2	\$6.8	\$5.4

Continue to provide quality road information for travellers through the Highway Hotline.

- ⇒ The Highway Hotline provides motorists the ability to get information on highway conditions, road closures, construction zones, ferries and border crossings. The Hotline is also used to publicize and distribute Winter Weight and Spring Road Ban Orders to the trucking industry, rural municipalities and enforcement.

Number of High Clearance Corridor Permits Issued



- ⇒ The Highway Hotline provides road condition information and has expanded to include services such as:
 - ↳ Online road condition maps;
 - ↳ Text reports;
 - ↳ Mobile website;
 - ↳ Facebook page;
 - ↳ Twitter feeds;
 - ↳ Roadside cameras; and
 - ↳ Online links to other jurisdictions' maps and services.

⇒ In 2015-16, the Hotline:

- ↳ Disseminated provincial road condition reports to the media at least four times a day when experiencing inclement weather;
- ↳ Provided valuable information regarding road closures during the forest fire crisis; and
- ↳ Upgraded its website text report, which allows users to search and sort reports and export to excel format.

Reinforce safe driving practices in ministry work zones and around snowplows through the annual Work Zone and Snow Zone campaigns.

- ⇒ There are more than 300 snowplows stationed across the province available 24-hours a day, seven-days a week. In 2015-16, the ministry launched a multi-media campaign targeted at informing drivers about the addition of flashing blue lights on ministry snowplows. The campaign included outdoor and radio advertising, as well as social media.
- ⇒ There were five snowplow incidents in 2015-16, where a snowplow was struck by a vehicle. The goal of the Snow Zone Campaign was to increase awareness around the dangers of passing a snowplow.
- ⇒ The Work Zone Campaign included radio, print and billboard advertisements. During the construction season, the ministry provides weekly construction updates that include work zone messaging aimed at enhancing motorist and highway worker safety.
- ⇒ Work zone safety introduced in recent years in the province includes legal black and white regulatory speed limits, photo speed enforcement and increased signage. In 2015-16, the ministry's advertisements reinforced that black and white regulatory speed limit signs are the law.

Deliver the Pavement Marking Program to provide visible pavement lines for a safe directional flow of traffic.

- ⇒ Pavement marking consists of the marking of centre lines, edge lines, lane lines, intersection layouts and pavement signs.
- ⇒ These markings provide delineation of travelled ways and directions, denoting safe passing zones and lanes to be used for turning movements.
- ⇒ Weather contributes significantly to this program, as late spring or early winter can decrease the time available to complete pavement markings. Poor weather also slows construction and maintenance activities and the pavement marking cannot be completed on these road segments until those activities are complete.
- ⇒ In 2015-16, the ministry planned 20,381 km of centre line marking and completed 20,480 km, planned 25,871 km of edge line marking and completed 26,864 km, and planned 31,345 pavement sign units and completed 31,909.

Deliver the Signing Stewardship Program to rehabilitate, replace and install new signs in order to keep the overall condition of the approximately 115,000 regulatory, warning, guide and information signs on the provincial network in good repair.

- ⇒ In 2015-16, the province had major wind storms that affected signing replacement plans. The signing team had to adapt and change its activities from single posts and sign face replacement to planned double post signs due to the number of downed signs caused by wind damage.
- ⇒ Through its Signing Stewardship Program, the ministry:
 - ↳ Installed 49 I-Beam signs;
 - ↳ Repaired 4,987 single sign posts of a planned 5,031 (99 per cent complete);
 - ↳ Repaired 1,332 double post signs of a planned 1,100 (exceeded target by 21 per cent); and
 - ↳ Replaced 1,596 sign faces of a planned 2,920 for the year (55 per cent complete).

Deliver public crossing and provincial rail inspection programs for provincially regulated rail lines and short line companies.

- ⇒ The ministry checks sightline, signage and the condition of the road at railway crossings to make sure the provincial short line railway crossings meet standards.
- ⇒ In 2015-16, there were 371 crossing inspections, with all corresponding reports issued to the railways. Railways utilize this information in conjunction with their own inspection activities to prioritize and plan crossing maintenance and improvement activities.

Continue to participate in "Road Check" and "Operation Air Brake" annual international safety inspection events and plan strategic enforcement activities to reduce commercial vehicle safety violations.

- ⇒ Road Check 2015 was held the week of June 1-5, 2015 at the Lloydminster Weigh Scales. More than 60 participants from the ministry, SGI, Carrier Profile, the RCMP, and the Saskatoon and the RM of Wilton Police Services participated. A total of 479 units were inspected, with 118 units taken out of service for critical defects and 29 drivers taken out of service for hours of service violations.
- ⇒ Operation Air Brake's (OAB) purpose is to reduce the number of collisions caused by faulty braking systems on commercial vehicles by conducting roadside inspections and educating drivers, mechanics and others on the importance of proper brake inspection, maintenance and operation.
- ⇒ Operation Air Brake was held in Regina, Moosomin, Clavet and Melfort on September 9, 2015. A total of 135 units were inspected with 29 units placed out of service. A total of 1,206 air brakes were inspected and 54 were out of adjustment. OAB had participation from the ministry's Commercial Vehicle Enforcement Branch, the Saskatoon Police Service, SGI and the RCMP.
- ⇒ A provincial transportation of dangerous goods blitz was held the week of September 22-24, 2015 at Lloydminster and Estevan with 279 units being inspected. Of those, 68 were placed out of service for safety or excessive violations and 81 required attention for non-critical defects.
- ⇒ A scheduled motor coach inspection on March 8, 2016 in Bethune resulted in nine coaches being inspected. Five were deemed out of service, and the remaining four had non-critical defects and were allowed to continue. None of the drivers were placed out of service.
- ⇒ Approximately 45 ministry enforcement officers, supervisors and managers received STARS Air Ambulance landing zone training in March 2016 in order to assist in medical emergency situations.

2015-16 Financial Overview

In 2015-16, the ministry received \$842.0 million in appropriated funding on budget day. The ministry invested \$798.8 million of its appropriated funding. The ministry's expenditures were under its appropriation primarily due to the delivery of capital projects, where expenditures can vary significantly based on the work completed. Many projects are multi-year projects and work will continue in the following year.

Program	(in thousands of dollars)				Variance Explanation
	2014-15 Actual	2015-16 Budget	2015-16 Actual	2015-16 Variance	
Vote 16:					
Central Management and Services	16,927	18,457	17,329	(1,128)	
Minister's Salary (Statutory)	48	48	48	0	
Executive Management	1,057	1,003	1,017	14	
Central Services	4,349	5,506	4,637	(869)	1
Accommodation Services	11,473	11,900	11,627	(273)	2
Strategic Municipal Infrastructure	36,881	26,245	23,748	(2,497)	
Municipal Roads Strategy	25,500	16,000	14,150	(1,850)	3
Strategic Partnership Program	3,195	1,890	1,522	(368)	4
Urban Connectors	7,550	7,655	7,447	(208)	4
Community Airport Partnership Fund	636	700	629	(71)	
Operation of Transportation System	102,927	89,199	95,196	5,997	
Winter Maintenance	39,958	29,099	38,254	9,155	5
Road Safety and Traffic Guidance	27,566	23,912	22,797	(1,115)	6
Operational Services	19,874	20,356	17,470	(2,886)	7
Transport Compliance	3,963	4,962	4,898	(64)	
Ferry Services	3,734	3,605	3,715	110	
Airports	2,037	1,937	1,951	14	
Information Technology Services	5,795	5,328	6,111	783	8
Preservation of Transportation System	158,276	144,900	140,904	(3,996)	
Surface Preservation	144,136	133,754	128,610	(5,144)	9
Regional Services	14,140	11,146	12,294	1,148	10
Transportation Planning and Policy	3,353	3,306	3,548	242	10
Infrastructure and Equipment Capital	373,786	559,865	518,045	(41,820)	
Infrastructure Rehabilitation	83,061	102,350	87,721	(14,629)	11
Infrastructure Enhancement	278,292	446,493	418,671	(27,822)	11
Accommodation Capital	3,865	4,031	4,137	106	
Minor Capital	2,820	1,241	1,703	462	12
Machinery and Equipment	5,748	5,750	5,813	63	
16 – Subtotal (Appropriation)	692,150	841,972	798,770	(43,202)	

Program	(in thousands of dollars)				Variance Explanation
	2014-15 Actual	2015-16 Budget	2015-16 Actual	2015-16 Variance	
Capital Asset Acquisitions	(391,686)	(559,865)	(518,045)	41,820	11
Capital Asset Amortization	143,299	152,423	146,053	(6,370)	13
16 – Total Ministry Expense	443,763	434,530	426,778	(7,752)	
Custom Work Net Recovery	(152)	0	(12)	(12)	
16 – Total Custom Work Net Recovery	(152)	0	(12)	(12)	
Reinstatement of 2013-14 frozen carryover funding	17,900	0	0	0	
17 – Total Ministry Capital Appropriation	17,900	0	0	0	
Total (Appropriation)	709,898	841,972	798,758	(43,214)	

Explanation of Major Variances:

1. Decrease due to FTE management and other administrative savings.
2. Decrease in accommodation operating costs from reduction of leased space.
3. Decrease due to a reduction in municipal road projects undertaken in 2015-16.
4. Decrease due to a reduction of partnership agreements undertaken in 2015-16.
5. Winter maintenance costs exceeded budgeted levels.
6. Decrease in various road safety program costs.
7. Decrease due to FTE management and transportation planning studies carried over to 2016-17.
8. Increase is due to inflation increases and licensing fees.
9. Decrease is due to the change in reporting for certain preservation treatments and some aggregate crushing work that was not completed at the end of 2015-16.
10. Increase is due to organizational changes and increased focus on these programs.
11. Variance due to planned capital work carried over to 2016-17.
12. Increase due to installation of salt storage sheds.
13. Variance is due to a year-end change in aggregate inventory valuation expense adjustment and a change in bridge amortization policy.

2015-16 Revenues

The ministry collects revenue relating to the sale of Crown lands or material on behalf of the government. The ministry also collects revenue from the federal government to reimburse the provincial government for infrastructure improvements completed under the federal-provincial cost shared infrastructure programs. All revenue collected is deposited in the General Revenue Fund. Below is a summary of the ministry's 2015-16 budgeted revenue compared to actual revenue.

Revenues	(in thousands of dollars)			
	2015-16 Budget	2015-16 Actual	Variance	Variance Explanation
Sales, Services and Service Fees	1,329	6,400	5,071	1
Transfers from Federal Government	54,136	59,555	5,419	
PPP Canada	20,000	28,086	8,086	2
Building Canada Fund – Major Infrastructure	15,000	7,044	(7,956)	3
Provincial Territorial Infrastructure Component	12,000	16,964	4,964	4
Airport Capital Assistance Program	6,500	7,406	906	5
Gateways and Borders Crossing Fund	500	-	(500)	
Other Federal Programs	136	55	(81)	
Transfers from Government Entities	50	1,491	1,441	6
Total	55,515	67,446	11,931	

Explanation of Major Variances:

1. Increase in land, equipment and material sales.
2. The PPP Canada agreement for the Regina Bypass Project was signed in 2015-16. The revenue reflects the work that was completed in 2015-16.
3. Delayed contract progress on Building Canada Fund – Major Infrastructure Component (MIC) projects resulted in lower than expected revenues.
4. Higher than expected construction work was completed on the Provincial Territorial Infrastructure Component projects, which resulted in higher than expected revenues.
5. The Airport Capital Assistance Program agreement was signed in 2014-15 and very little progress on the construction project occurred in 2014-15; however, the project is now complete.
6. Highway construction projects were completed by the Transportation Partnerships Fund (TPF) and transferred to the ministry.

2015-16 Full Time Equivalent Employees (FTE)

FTEs	
Budget	1,320.0
Total Utilization Including Students	1,344.2
Variance	(24.2)

Explanation of FTE Variance:

As part of the ministry's 2015-16 strategy to meet the government's commitment of public sector renewal, the ministry used FTE management and other initiatives including utilizing student employment (77.0) resulting in 24.2 FTEs over utilized.

Transportation Partnerships Fund

The Transportation Partnerships Fund (TPF) was established effective July 1, 1997, pursuant to Section 8 of *The Highways and Transportation Act, 1997*. The purpose of the fund is to generate revenues to be used for highway improvement projects. The TPF generates revenues subject to the terms of trucking partnership agreements, in which the transportation companies pay the Fund a portion of cost savings achieved from being able to haul overweight and/or over-dimension loads. Additional revenues are raised through issuing permits and the marketing of transportation related technology and expertise.

The ministry is responsible for managing the TPF. The ministry's Transportation Partnership Program generated \$2.2 million in revenue for the TPF. The TPF invested \$2.3 million on transportation system improvements in 2015-16 and the TPF balance was \$11.9 million on March 31, 2016.

For More Information

If you have any questions or comments, we invite you to call 306-787-4800, or contact:

Communications Branch
1200-1855 Victoria Avenue
Regina, Saskatchewan S4P 3T2

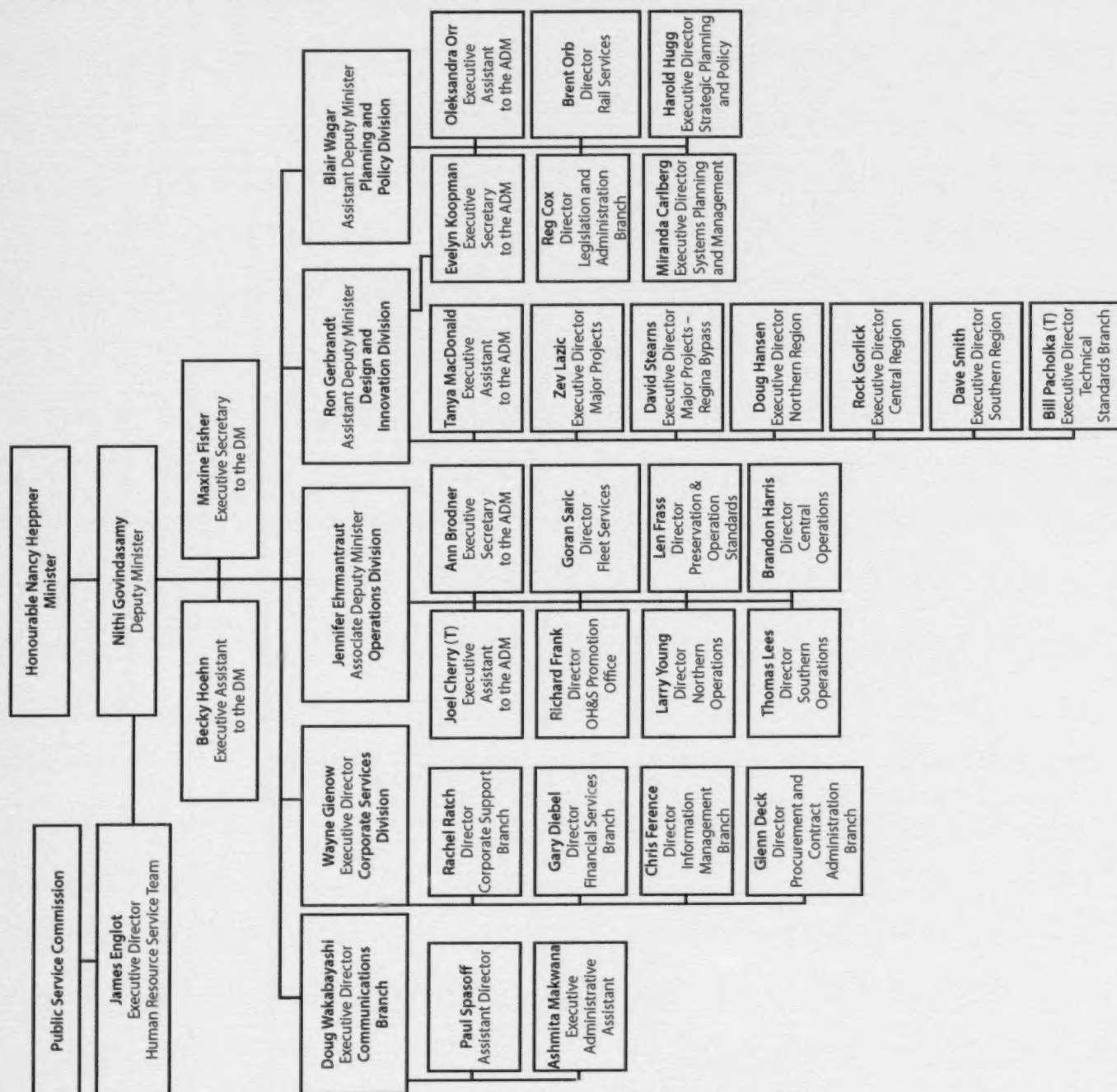
Or send us an email through the Saskatchewan Ministry of Highways and Infrastructure website:
<http://www.saskatchewan.ca/government/ministries/highways-and-infrastructure>.

Visit our website to find out about:

- ⇒ Road conditions and travellers information;
- ⇒ Construction projects;
- ⇒ Programs and services; and
- ⇒ Updated tender schedule.

Appendices

Appendix A: Organizational Chart as of March 31, 2016



Appendix B: Loan Disclosure

The ministry administers the Short Line Railway Financial Assistance Program. Under this program, the province can provide municipalities or local community groups that want to preserve rail service in their area with an interest free loan for the capital acquisition of rail infrastructure which is being abandoned. The potential short line operator must have a business plan which demonstrates that the short line railway is feasible. The loan is repayable over 15 years, with a discretionary three-year grace period.

To date, eight loans have been made through this program. In 1999-2000, a short line railway company applied for a \$177,000 provincial loan and a \$177,000 Canada Agriculture Infrastructure Program (CAIP) grant. Both were approved and agreements finalized.

In 2004-05, a producer-owned company received a loan in the amount of \$1.76 million for the purchase of a rail network in the southwest area of the province. This loan was issued under the new regulations and funds were provided from the Transportation Partnerships Fund (TPF) and General Revenue Fund (GRF) on a 50/50 split.

In 2005-06, several local governments in southern Saskatchewan negotiated the purchase of a branch line. The local governments were granted a loan in the amount of \$240,000, with funding split between the TPF and the GRF.

In 2007-08, local governments in north-eastern Saskatchewan purchased a branch line and were granted a loan in the amount of \$256,000, with funding split equally between the TPF and GRF.

In 2008-09, local investors purchased a branch line in south-western Saskatchewan and were granted a loan in the amount of \$1,907,200, with funding split equally between the TPF and the GRF.

In 2009-10, local investors purchased a branch line in south-central Saskatchewan and were granted a loan in the amount of \$1,622,400, with funding split equally between the TPF and the GRF.

In 2011-12, local investors purchased a branch line in south-central Saskatchewan and were granted a loan in the amount of \$800,000, with funding split equally between the TPF and the GRF.

In 2015-16, local investors purchased a branch line in south-central Saskatchewan and were granted a loan in the amount of \$551,092 with all funding coming from the TPF.

This loan program supports the ministry's objective to invest in multi-modal infrastructure such as regional airports and short line rail. A short line railway reduces truck traffic since agricultural products are hauled long distances by rail, rather than by large trucks on the provincial highway system. Reducing the amount of heavy truck traffic helps the ministry sustain the condition of rural TMS highways.

Short Line Railway Loans	(in thousands of dollars)		
	2015-16 Budget	2015-16 Actual	Variance
Beginning Balance	2,028	2,028	-
Additions	500	551	51
Reductions	274	870	596
Ending Balance	2,254	1,709	(545)

Explanations of Variances:

The variance in the reductions is due to two short line companies repaying their loans in 2015-16.

Appendix C: Legislation

The Minister of Highways and Infrastructure is responsible for the following Acts and Regulations:

The Highways and Transportation Act, 1997

The Wollaston Lake Barge Operation Regulations

The Controlled Access Highways Regulations

The Provincial Highway Sign Control Regulations

The Provincial Highways Designation Regulations, 1990

The Highways and Transportation Act Regulations (Autowreckers Licensing)

The Vehicle Weight and Dimension Regulations, 2010

The Security of Loads Regulations

The Trip Inspection Regulations

The Dangerous Goods Transportation Act

The Dangerous Goods Transportation Regulations

The Engineering and Geoscience Professions Act

The Railway Act

The Final Offer Arbitration (Railway) Regulations

The Short Line Railway Financial Assistance Regulations

The Railway Line (Short Line) Financial Assistance Regulations

The Sand and Gravel Act

The Saskatchewan Grain Car Corporation Act

The Traffic Safety Act – but only with respect to:

1. All of Part IV, other than Section 20; and,
2. *The Commercial Vehicle Hours of Service Regulations*

Public Works and Services Act – Jointly assigned to the Minister of Highways and Infrastructure and the Minister of Central Services except with respect to clauses 4(2)(a) to (g), (i) to (l), (n) and (o) and section 8, which are jointly assigned to the Minister of Central Services, the Minister of Education, the Minister of Health and the Minister of Highways and Infrastructure

The Executive Government Administration Act – ministry not responsible for the Act, but the following regulations pursuant to the Act:

1. *The Short Line Railway Financial Assistance Regulations*
2. *The Ministry of Highways and Infrastructure Regulations*; and,
3. *The Railway Line (Short line) Financial Assistance Regulations* (Enacted in June 2004)